

AGRICULTURAL EXPERIMENT STATION

Exchange of notes at Quito January 26 and April 16, 1948, with memorandum of understanding; related note of May 14, 1948

Entered into force April 16, 1948

*Superseded May 30, 1952, by agreement of May 29, 1952*¹

62 Stat. 3605; Treaties and Other
International Acts Series 1875

The American Ambassador to the Minister of Foreign Affairs

No. 26

QUITO, January 26, 1948

EXCELLENCY:

With reference to conversations between representatives of the Government of the United States of America and representatives of the Government of Ecuador with regard to the desirability of completing the establishment and continuing the operation of a cooperative agricultural station in Ecuador, I have the honor to inform Your Excellency that the Government of the United States of America is prepared to give effect to an agreement in the following terms:

MEMORANDUM OF UNDERSTANDING BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF ECUA- DOR REGARDING THE ESTABLISHMENT AND OPERATION OF A COOP- ERATIVE AGRICULTURAL STATION IN ECUADOR

In conformity with the desire of the Government of Ecuador that the Government of the United States of America continue to cooperate with the Government of Ecuador in completing the establishment and continuing the operation of an agricultural station program in Ecuador, henceforth known as the Ecuadoran Agricultural Station (hereinafter referred to as the Station), for the purpose of promoting the production of basic and strategic agricultural products, the Government of the United States of America and the Government of Ecuador have reached the following understanding:

1. The general functions of the Station shall continue to be: (a) agromomic production investigations necessary to permanent agriculture in Ecua-

¹ 3 UST 5339; TIAS 2740.

dor with complementary products, particularly cacao, rubber, barbasco, pyrethrum, and cinchona as cash crops; (b) assistance in the establishment of approved agricultural practices by agricultural extension work as liaison between the Station and private farmers; (c) the propagation of planting material for distribution to farmers; (d) cooperation with other agricultural institutions of the Western Hemisphere in the promotion of tropical agriculture through consultation and exchange of propagating material, scientific information, and personnel; and (e) cooperation with public health, colonization, and agricultural rehabilitation agencies of the United States of America, Ecuador, and the Western Hemisphere in the development of agriculture in Ecuador.

2. The Government of Ecuador will make available all land necessary to conduct investigations and demonstration work designed (a) to promote the profitable production of agricultural crops, with special emphasis on such export crops as cacao, rubber, fibers, insecticides, medicinals, and vegetable oils, and (b) to increase the income and foreign trade of the people of Ecuador. The Government of Ecuador shall continue to make available all lands described in Circular No. 435, dated October 18, 1946, of the Ministry of Economy, whereby a certain block of land was transferred to the Station from the Hacienda Pichilingue, which shall hereinafter be known as the Tropical Agricultural Station of Ecuador. The Station shall also continue to use, as long as deemed necessary, the properties known as La Favorita (Saloya) and Granja Escolar de Tumbaco. Such other lands as may be necessary shall be assigned to the Station, provided the Government of Ecuador considers it feasible, upon request of the Station Director.

3. It is agreed that all products derived from experimental and demonstrational plots and from other sources within the properties of the Station shall be the property of the Station and may be used or disposed of at the discretion of the Station Director. All funds derived from such disposal shall be used to help defray the expenses of the Station program.

4. The Government of Ecuador shall also supply the funds necessary for (a) the preparation, printing, and distribution of four types of publications to be issued by the Station, as follows:

(1) popular Spanish circulars or articles written for the farm family by the staff and other qualified persons on such subjects as health, hygiene, community organization, information on the Pacific region, aims of the Station, treatment of agricultural practices and methodology;

(2) farm circulars written in Spanish and issued as required, dealing with specific farm practices or products;

(3) technical bulletins in English or Spanish dealing with the results of specific scientific investigations by the Station; and

(4) an annual report in Spanish, covering the work of the Station performed during the year, and the status of agriculture in the region;

(b) the services of Ecuadoran scientists to cooperate with each scientist detailed to the Station by the United States Department of Agriculture, and the services, as needed, of technologists qualified in the fields of land-surveying, topography, drainage, drafting, minor construction, chemical analysis, and library management; (c) stenographers, clerks, mechanics, machinists, field plot and laboratory assistants, and such unskilled labor as may be necessary to conduct the work of the Station; and (d) the transportation expense incurred by United States and Ecuadoran members of the staff for travel on Station business within Ecuador.

5. The Government of Ecuador shall provide:

(a) entry free of custom duties for

(1) supplies and equipment for the Station, and

(2) supplies, clothes, foodstuffs, and personal belongings of the United States members of the Station staff whose salaries are paid by the Government of the United States;

(b) exemption from all Ecuadoran taxes based upon salaries for those United States members of the Station staff whose salaries are paid by the Government of the United States of America; and (c) when possible, Ecuadoran students in graduate study in various fields of agriculture in colleges or universities in the United States, who will return to Ecuador to work in the agricultural development program of their Government.

6. With reference to the Tropical Agricultural Station of Ecuador, the Government of Ecuador agrees (a) to construct or complete

(1) residences complete with furnishings for the United States and Ecuadoran members of the staff,

(2) houses for the Station laborers and semi-technical force,

(3) a hospital, with complete furnishings, services, and equipment (it is recommended that this hospital should be taken over by some other agency of the Government of Ecuador and operated to serve the entire region), and

(4) service buildings, including repair shops and adequate buildings for storage of equipment and plant material, and

(b) to provide

(1) such buildings as may be needed for studies in livestock production and the housing of pilot plants for processing agricultural production for shipment,

(2) an adequate pump for providing a plentiful water supply,

(3) an electric plant adequate to satisfy the lighting and power needs of the Station,

(4) recreational facilities, including tennis courts and a football field and other facilities, and

(5) a graduate medical doctor and nurse for the hospital.

It is agreed that every effort shall be made by the Government of Ecuador to complete the above building program on or before December 31, 1948. Funds for the above purposes shall not come from the regular operational budget of the Station, but shall be provided for separately, since these are obligations which have been assumed from the Ecuadoran Development Corporation by the Ministry of Economy and the Ministry of the Treasury, by Executive Decree number 1526-a, of July 31, 1946 (*Registro Oficial* number 663, of August 19, 1946). An estimate of the necessary expenditures under this paragraph is attached hereto. These funds shall be assigned to the Station, which shall direct and administer the above provisions.

7. It is declared that all constructions, machinery, vehicles, laboratories, tools, equipment, and any other properties, produce, or other materials, heretofore acquired for the use of or by reason of the operation of the Station, including such property acquired as the result of contribution of the three signatories to the Memorandum of Understanding dated August 12, 1942² (which, in accordance with the provisions of paragraph 17 hereof, is superseded by the present Memorandum of Understanding), shall be exclusively available to the Station during the life of the present Memorandum of Understanding. It is likewise declared that the properties, laboratories, and other materials, which are at present in the possession of the Station, shall be available for the exclusive use of the Station during the life of the present Memorandum of Understanding.

8. No property which is now in the possession of the Station, or which at any future time shall come into its possession, except as provided in paragraph 3 of the present Memorandum of Understanding, may be disposed of or sold to any private or public institution or to any individual, until such property has been declared by the Station Director to be surplus property, and then the method of sale or disposal must be in accordance with the regulations of the Government which holds title to the said property. The ownership of all properties and equipment of the Station shall pass to the Department of Agriculture of the Government of Ecuador at such time as the present Memorandum of Understanding is legally terminated, except that the equipment belonging to and provided by the Government of the United States of America shall remain the property of that Government to be disposed of according to its rules and regulations pertaining thereto.

9. The Government of Ecuador also agrees to provide (a) agricultural publications necessary to the proper functioning of the Station, including reference books, and journals and bulletins published outside the United States, as well as the binding of journals, et cetera, (b) necessary launches and vehicles for water and land transportation, (c) all equipment and machinery and repair parts, except those to be furnished by the United States of

² EAS 284, *ante*, p. 381.

America in accordance with the provisions of paragraph 11, and (d) the purchase of seed and planting stock for experimental and commercial use.

10. The Government of the United States of America and the Government of Ecuador mutually agree that all nonexpendable property purchased for the use of the Station shall be received and receipted for by (a) the United States Director of the Station or a United States technician designated by him, for purchases made with funds of the Government of the United States of America, and (b) the ranking Ecuadoran employee of the Station for purchases made with funds of the Government of Ecuador.

11. The Government of the United States of America, through the United States Department of Agriculture, and subject to the availability of funds for the purpose, agrees to provide (a) the services of scientists to perform the functions of direction of the Station and agronomic investigation, (b) current scientific journals on plant and animal science published in the United States of America, (c) scientific equipment not produced or manufactured in Ecuador for use by the agronomic laboratories, and (d) assistance in designing all buildings, including residences for the United States and Ecuadoran members of the staff.

12. The Government of the United States of America and the Government of Ecuador mutually agree:

(a) In order to provide joint supervision over the cooperative aspects of the project and in order to furnish a ready means for consultation between the two Governments in regard thereto, there shall be established an Agricultural Station Commission of two members, consisting of one representative of the United States Department of Agriculture and the Director or Acting Director of the Department of Agriculture of Ecuador; that the Commission, subject to the approval of the Government of Ecuador, shall have authority to establish the qualifications and propose candidates for positions at the Station; that the Commission may delegate to the Director of the Station such of its functions as it may deem fit.

(b) The Government of the United States of America shall furnish transportation to and from Ecuador for the United States scientists and their families and for their household equipment, and shall furnish them certain living allowances, and certain laboratory equipment and periodicals published in the United States of America. Exclusive of the salaries of the scientists made available to the Station by the United States Department of Agriculture, the expenses listed above shall not exceed \$25,000 in any one fiscal year after the date of entry into force of this Memorandum of Understanding.

(c) The obligation of the Government of the United States of America to furnish the supplies listed under (b) and (c) of paragraph 11 shall be contingent upon the availability of such supplies in the United States of America.

(d) In conformity with paragraphs 4 and 9 the Government of Ecuador, through the Department of Agriculture, Ministry of Economy, shall make available to the Station annually the necessary funds for the operation of all its services, including payment of salaries and payment of per diem and travel expenses within and outside the country to the technical and clerical Ecuadoran members of the staff while traveling on official business of the Station, wages to unskilled labor, travel expenses within the country to United States members of the staff exclusive of per diem while on official business of the Station, purchase in Ecuador or abroad of machinery, vehicles, agricultural tools, construction materials, and any other equipment not furnished by the Government of the United States of America in accordance with this Memorandum of Understanding. The amount budgeted for the fiscal year 1948 shall be 840,000 sucres (Ecuadoran currency) and the amount budgeted shall be no less than this amount for any one fiscal year during the time in which this Memorandum of Understanding remains in force, plus an annual increase which shall be allocated by the Ministry of Economy in accordance with the increase of the Station program, the increase of living and material costs, and as recommended by the Station Director and agreed upon by the Agricultural Station Commission. This annual budget shall include the amount the Government of Ecuador agreed to allocate annually for cinchona work and no separate budget shall be provided for the said cinchona work.

(e) The Government of Ecuador shall make available to the Station (through the Ministry of Economy) on or before the 15th day of January of each year in which this Memorandum of Understanding remains in force one-sixth of the amount budgeted annually for the Station, and thereafter on the first day of each succeeding month one-twelfth the annual budget shall be likewise made available until the total annual budget has been made available.

13. The Station shall present to the Minister of Economy, not later than the 15th day of each month, a financial statement of the Station for the preceding month.

14. All financial obligations assumed under this Memorandum of Understanding by the Government of Ecuador are understood and agreed to be subject to appropriations of the Ecuadoran Congress.

15. Likewise, all financial obligations assumed under this Memorandum of Understanding by the Government of the United States of America are understood and agreed to be subject to appropriations made for this purpose by the Congress of the United States of America.

16. There shall be appointed by the Agricultural Station Commission, with the approval of the Minister of Economy of Ecuador, an Ecuadoran

to be Assistant Director of the Station, whose duties shall be to assist the Director in handling the general administration of the Station, and such other functions as may be assigned to him by the Director or by the Agricultural Station Commission.

17. The present Memorandum of Understanding shall supersede the Memorandum of Understanding of August 12, 1942, between the Government of the United States of America, the Government of Ecuador, and the Ecuadoran Development Corporation. It shall be brought into force by an exchange of diplomatic notes and shall enter into force on the day indicated in such notes. It shall continue in force for a period of ten years from that date. In the event, however, that either Government desires to terminate this Memorandum of Understanding prior to the aforesaid expiration date, it may do so by giving sixty days' written notice thereof to the other Government.

ESTIMATED BUDGET FOR THE COMPLETION OF THE BUILDING PROGRAM AT
THE TROPICAL AGRICULTURAL STATION OF ECUADOR

1. Completion of:		
(a) Hospital building.....	S/140,000	
(b) Brick house No. 2.....	25,000	
(c) Frame houses Nos. 3, 4, 5, and 6.....	64,000	
Ea. S/16,000		
(d) Cacao House and propagators.....	10,000	S/239,000
2. Construction of five houses for laborers.....		30,000
Ea. S/6,000		
3. Purchase of:		
(a) Electric plant.....	150,000	
(b) Water pump.....	50,000	
(c) Furnishings	20,000	220,000
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Total		S/489,000

If agreeable to the Government of Ecuador, the Government of the United States of America will consider the agreement, in the terms of the above memorandum of understanding, to be concluded and in effect on the date of a corresponding note from Your Excellency indicating that the Government of Ecuador is prepared to give effect to such agreement in accordance with the foregoing terms.

Accept, Excellency, the assurances of my most distinguished consideration.

JOHN F. SIMMONS
American Ambassador

His Excellency
DOCTOR ANTONIO PARRA VELASCO,
Minister for Foreign Affairs,
Quito.

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

REPUBLIC OF ECUADOR
MINISTRY OF FOREIGN RELATIONS
DIPLOMATIC DEPARTMENT

No. 64-DDP

QUITO, April 16, 1948

MR. AMBASSADOR:

I have the honor to acknowledge receipt of your courteous note No. 26 of January 26, 1948, concerning the establishment and operation of a cooperative agricultural station in Ecuador and to inform you that the Government of Ecuador accepts the agreement thereon in the following terms:

[For text of memorandum of understanding, see p. 434. The material relating to the estimated budget was omitted from quoted portion of this note and enclosed with note of May 14, 1948, below.]

2. The Government of Ecuador agrees that, in conformity with the provisions of the Memorandum herein inserted, the latter shall become effective on the date of the present communication.

I avail myself of the opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

JOSÉ M. GARCÍA MORENO
*Minister of Public Education,
Charged with the Portfolio of
Minister of Foreign Relations*

His Excellency

JOHN F. SIMMONS,
*Ambassador Extraordinary and Plenipotentiary
of the United States of America,
City.*

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

REPUBLIC OF ECUADOR
MINISTRY OF FOREIGN RELATIONS
DIPLOMATIC DEPARTMENT

No. 79-DDP

QUITO, May 14, 1948

MR. AMBASSADOR:

I have the honor to address Your Excellency and, with reference to the content of my note No. 64-DDP of April 16 last, I take pleasure in transmitting herewith a proposed budget for the completion of the Building Program at the Tropical Agricultural Station in Ecuador. I shall appreciate it

if Your Excellency will be good enough to give due consideration to this budget and to have it entered as a part of the "Memorandum of Understanding between the Government of Ecuador and the Government of the United States of America regarding the Establishment and Operation of a Cooperative Agricultural Station in Ecuador," the text of which is given in the aforesaid note.

I avail myself of the opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

For the Minister:

J. A. BAQUERO
Under Secretary

Enclosure: *

His Excellency

JOHN F. SIMMONS,

*Ambassador Extraordinary and Plenipotentiary
of the United States of America,
City.*

* See estimated budget, *ante*, p. 440.